

## Commonwealth of Kentucky Energy and Environment Cabinet

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## PSC removes two Mountain Water District commissioners Finds that they do not meet legal qualifications

FRANKFORT, Ky. (Aug. 20, 2009) – The Kentucky Public Service Commission (PSC) today removed two members of the Mountain Water District board of commissioners because they do not reside within the district boundaries and are not customers of the district.

In an order issued today, the PSC emphasized that the removal of Toni Akers and Michael Litafik in no way reflects on the quality of their service to the Mountain Water District.

"Ms. Akers and Mr. Litafik have long and faithfully served Mountain (Water) District and its customers and have expressed a desire to continue in such service," the PSC said. "The record contains no evidence that they have failed to properly perform their duties."

Mountain Water has about 16,450 water customers and about 1,940 sewer customers in Pike County. The district is governed by a five-member board.

The qualifications for service as a water district commissioner are set forth in state law. The Kentucky General Assembly "has entrusted this commission with the duty to enforce its laws in this area," the PSC said. "The principles of representative constitutional government require us to fulfill that duty."

Today's order ends an investigation that began in April, when the PSC received information that Akers and Litafik no longer resided in the district, as required by law. The PSC asked both commissioners to verify their residency.

Akers, who had been on the water district's board since 1986, acknowledged that she had moved from the district into the city of Pikeville in 2004. Litafik, a board member since 1999, said he moved out of the district and into Pikeville in 2008.

The PSC initiated the removal proceeding on June 12.

In the course of the proceeding, the PSC also examined whether Akers and Litafik are customers of Mountain Water and thus eligible to remain on the board under legislation passed on June 24 by the 2009 Kentucky General Assembly.

The PSC determined that neither Akers nor Litafik directly owns any property that receives service from Mountain Water District. Therefore, they do not qualify as customers, the PSC said.

Given that Akers and Litafik do not meet either of the qualifications for serving on the Mountain Water District board, the PSC said it is obligated to remove them from office.

The decision takes effect immediately and is final.

Under Kentucky statute (KRS 74.020), vacancies on water district boards are filled through appointment by the county judge-executive. The appointments must be approved by the county fiscal court.

Commissioner Charles Borders abstained from today's decision because he was serving in the Kentucky Senate when it passed the legislation changing the membership requirements.

Today's order and other documents in the case are available on the <u>PSC Web site</u>. The case number is 2009-00209.

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 100 employees.